
Financial Results
for the nine months ended December 31, 2016

INPEX CORPORATION

February 10, 2017

Cautionary Statement



This presentation includes forward-looking information that reflects the plan and expectations of the Company. Such forward-looking information is based on the current assumptions and judgments of the Company in light of the information currently available to it, and involves known and unknown risk, uncertainties, and other factors. Such risks, uncertainties and other factors may cause the Company's performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, without limitation:

- Price volatility and change in demand in crude oil and natural gas
- Foreign exchange rate volatility
- Change in costs and other expenses pertaining to the exploration, development and production

The Company undertakes no obligation to publicly update or revise the disclosure of information in this presentation (including forward-looking information) after the date of this presentation.

Subsidiaries and Affiliates



64 consolidated subsidiaries

Major subsidiaries	Country/region	Ownership	Stage	Accounting term
Japan Oil Development Co., Ltd.	UAE	100%	Production	March (provisional settlement of account)
JODCO Onshore Limited	UAE	51 %	Production	December
INPEX Natuna, Ltd.	Indonesia	100%	Production	March
INPEX Sahul, Ltd.	Timor Sea Joint Petroleum Development Area	100%	Production	December
INPEX Ichthys Pty Ltd	Australia	100%	Development	March (provisional settlement of account)
INPEX Southwest Caspian Sea, Ltd.	Azerbaijan	51%	Production	March (provisional settlement of account)
INPEX North Caspian Sea, Ltd.	Kazakhstan	45%	Production	March (provisional settlement of account)
INPEX Oil & Gas Australia Pty Ltd	Australia	100%	Development	December
INPEX Gas British Columbia Ltd.	Canada	45.09%	Production/ Evaluation	December

20 equity method affiliates

Major affiliates	Country/region	Ownership	Stage	Accounting term
MI Berau B.V.	Indonesia	44%	Production	December
Angola Block 14 B.V.	Angola	49.99%	Production	December
INPEX Offshore North Campos, Ltd.	Brazil	37.5%	Production	December
Ichthys LNG Pty Ltd	Australia	62.245%	Development	March (provisional settlement of account)

Highlights of the Consolidated Financial Results for the nine months ended December 31, 2016



	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Net sales (Billions of yen)	809.0	623.4	(185.6)	(22.9%)
Crude oil sales	551.6	444.3	(107.2)	(19.4%)
Natural gas sales (including LPG)	247.4	169.5	(77.8)	(31.5%)
Others	10.0	9.5	(0.4)	(4.9%)
Operating income (Billions of yen)	338.3	235.8	(102.5)	(30.3%)
Ordinary income (Billions of yen)	354.3	256.5	(97.7)	(27.6%)
Net income attributable to owners of parent (Billions of yen)	67.4	47.9	(19.5)	(28.9%)
Net income per share (Yen)	46.19	32.82	(13.37)	(28.9%)

Average number of INPEX shares issued and outstanding during the nine months ended December 31, 2016 : 1,460,357,160

Average crude oil price (Brent) (\$/bbl)	53.10	48.34	(4.76)	(9.0%)
Average exchange rate (¥/\$)	121.75	106.65	15.10 yen appreciation	12.4% yen appreciation

Crude Oil Sales



	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Net sales (Billions of yen)	551.6	444.3	(107.2)	(19.4%)
Sales volume (thousand bbl)	86,423	92,741	6,318	7.3%
Average unit price of overseas production (\$/bbl)	52.49	44.62	(7.87)	(15.0%)
Average unit price of domestic production (¥/kl)	42,533	33,264	(9,269)	(21.8%)
Average exchange rate (¥/\$)	121.49	107.28	14.21 yen appreciation	11.7% yen appreciation
Sales volume by region (thousand bbl)	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Japan	501 (79.6 thousand kl)	598 (95.0 thousand kl)	97 (+15.4 thousand kl)	19.4%
Asia & Oceania	10,489	9,779	(711)	(6.8%)
Eurasia (Europe & NIS)	7,917	9,258	1,340	16.9%
Middle East & Africa	66,248	71,489	5,240	7.9%
Americas	1,267	1,619	351	27.7%
Total	86,423	92,741	6,318	7.3%

Natural Gas Sales (excluding LPG)



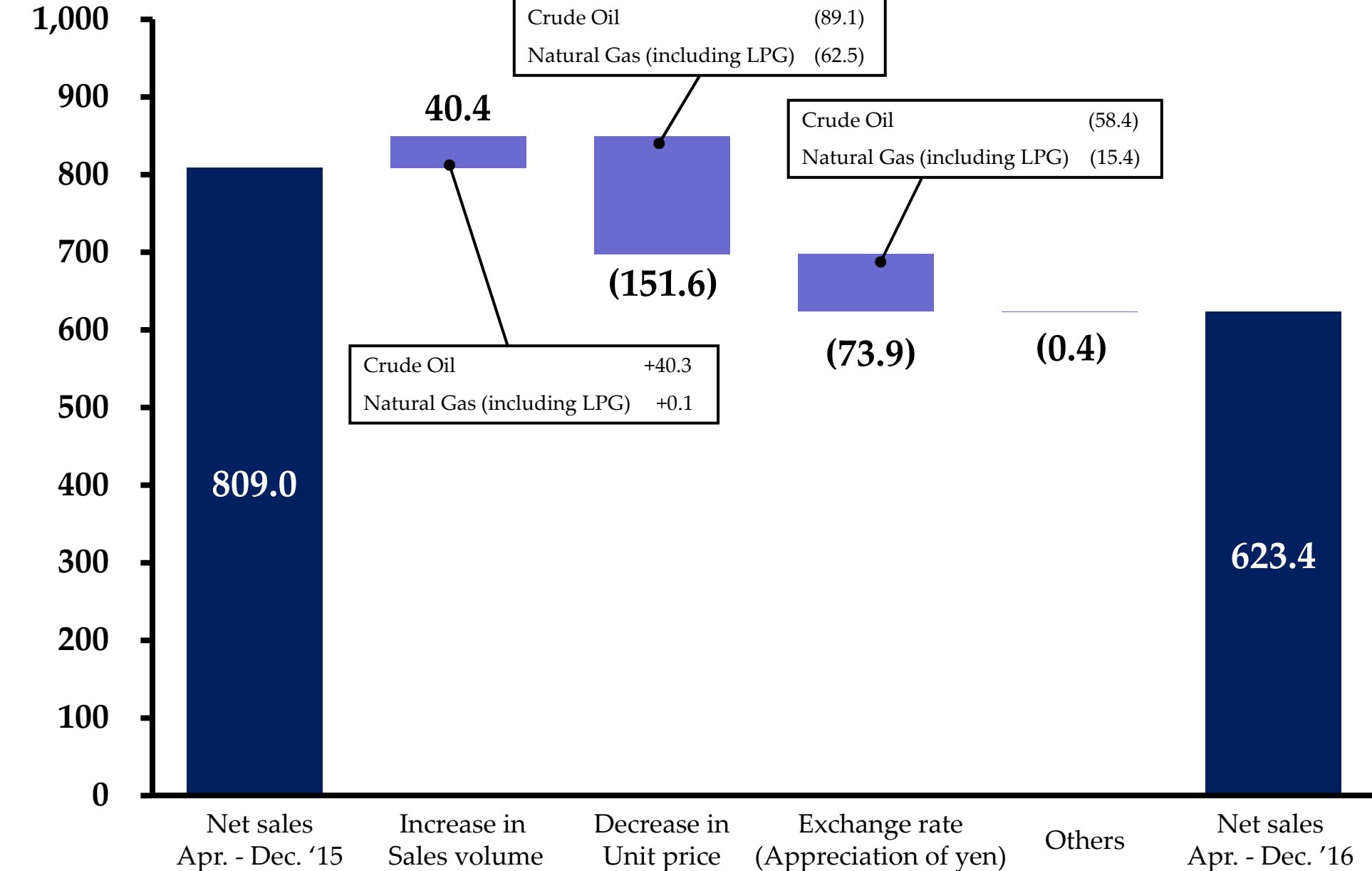
	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Net sales (Billions of yen)	238.2	164.0	(74.2)	(31.2%)
Sales volume (million cf)	250,110	249,896	(214)	(0.1%)
Average unit price of overseas production (\$/thousand cf)	7.02	5.04	(1.98)	(28.2%)
Average unit price of domestic sales (¥/m ³)	53.19	43.11	(10.08)	(19.0%)
Average exchange rate (¥/\$)	121.05	106.62	14.43 yen appreciation	11.9% yen appreciation
Sales volume by region (million cf)	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Japan	44,989 (1,206 million m ³ *)	48,249 (1,293 million m ³ *)	3,259 (+87 million m ³ *)	7.2%
Asia & Oceania	179,616	172,518	(7,098)	(4.0%)
Eurasia (Europe & NIS)	-	511	511	-
Middle East & Africa	-	-	-	-
Americas	25,505	28,619	3,114	12.2%
Total	250,110	249,896	(214)	(0.1%)

*1m³=41.8605MJ

Analysis of Net Sales Decrease



(Billions of yen)



Statement of Income

(Billions of yen)	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change	
Net sales	809.0	623.4	(185.6)	(22.9%)	Increase in sales volume : +40.4 Decrease in unit price : (151.6) Exchange rate (Appreciation of yen) : (73.9) Others : (0.4)
Cost of sales	402.2	324.9	(77.2)	(19.2%)	
Gross profit	406.8	298.4	(108.3)	(26.6%)	Cost of sales for Crude Oil : 220.7 (Change) (46.2) Cost of sales for Natural Gas* : 95.7 (Change) (31.0) * Including LPG
Exploration expenses	3.9	5.4	1.4	36.2%	
Selling, general and administrative expenses	64.4	57.2	(7.2)	(11.2%)	
Operating income	338.3	235.8	(102.5)	(30.3%)	
Other income	49.5	26.7	(22.8)	(46.0%)	Main factors : Absence of gain on sales of marketable securities (11.4) Foreign exchange gain (11.5)
Other expenses	33.5	5.9	(27.6)	(82.1%)	
Ordinary income	354.3	256.5	(97.7)	(27.6%)	
Total income taxes	303.3	198.3	(104.9)	(34.6%)	Main factor : Provision for allowance for recoverable accounts under production sharing (21.8)
Net income (loss) attributable to non-controlling interests	(16.4)	10.3	26.7	-	
Net income attributable to owners of parent	67.4	47.9	(19.5)	(28.9%)	

Other Income/Expenses

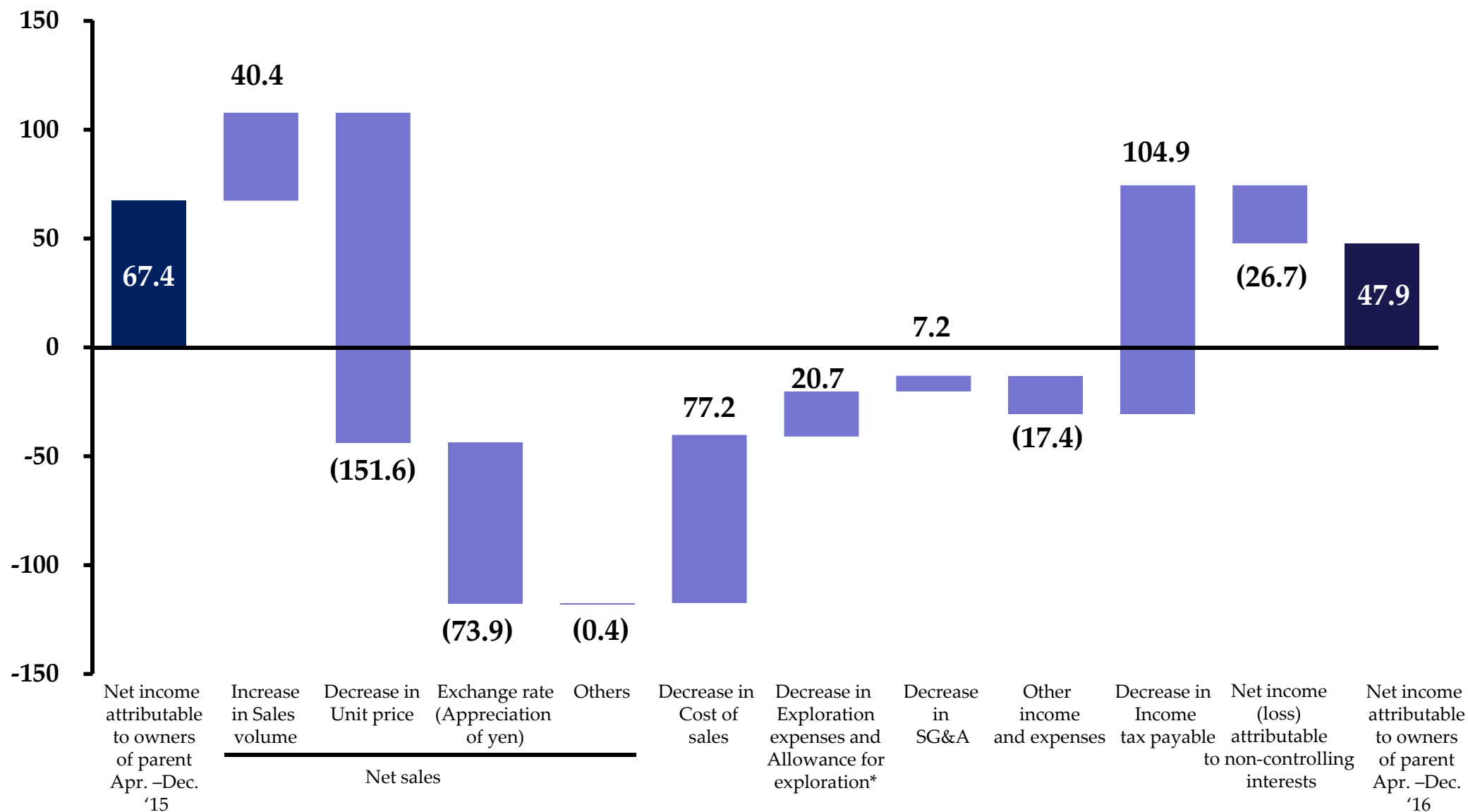


(Billions of yen)	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Other income	49.5	26.7	(22.8)	(46.0%)
Interest income	7.4	8.5	1.0	13.7%
Dividend income	3.4	2.0	(1.4)	(41.2%)
Gain on sales of marketable securities	11.4	-	(11.4)	-
Equity in earnings of affiliates	-	0.5	0.5	-
Foreign exchange gain	12.2	0.7	(11.5)	(94.2%)
Other	14.8	14.9	0.0	0.6%
Other expenses	33.5	5.9	(27.6)	(82.1%)
Interest expense	2.9	3.8	0.9	31.2%
Equity in losses of affiliates	1.1	-	(1.1)	-
Provision for allowance for recoverable accounts under production sharing	22.1	0.3	(21.8)	(98.6%)
Provision for exploration projects	0.3	-	(0.3)	-
Other	7.0	1.8	(5.2)	(74.0%)

Analysis of Net Income Decrease



(Billions of yen)



*Provision for allowance for recoverable accounts under production sharing and Provision for exploration projects

Revisions of Financial Forecasts for the year ending March 31, 2017



- Assumptions

(November 11, 2016)	1 st half	2 nd half	Full year
Crude oil price (Brent) (US\$/bbl)	47.0	50.0	48.5
Exchange rate (yen/US\$)	105.3	105.0	105.1



(February 10, 2017)	1 st half	2 nd half	Full year
Crude oil price (Brent) (US\$/bbl)	47.0	53.0*1	50.0
Exchange rate (yen/US\$)	105.3	112.2*2	108.7

*1 3rd quarter (Actual) : US\$ 51.1/bbl, 4th quarter (Forecast) : US\$55.0/bbl *2 3rd quarter (Actual) : ¥109.5US\$1, 4th quarter (Forecast) : ¥115.0/US\$

- Financial Forecasts for the year ending March 31, 2017

	Previous forecasts (November 11, 2016)	Revised forecasts (February 10, 2017)	Change	% Change
Net sales (billions of yen)	830.0	878.0	48.0	5.8%
Operating income (billions of yen)	283.0	335.0	52.0	18.4%
Ordinary income (billions of yen)	284.0	340.0	56.0	19.7%
Net income attributable to owners of parent (billions of yen)	26.0	48.0	22.0	84.6%

- Dividend per share

	End of 2Q	End of fiscal year (forecast)
Year ending March 31, 2017 (yen)	9	9

Appendix

LPG Sales



	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Net sales (Billions of yen)	9.1	5.5	(3.5)	(38.9%)

Sales volume (thousand bbl)	1,957	1,625	(332)	(16.9%)
Average unit price of overseas production (\$/bbl)	38.36	32.26	(6.10)	(15.9%)
Average unit price of domestic production (¥/kg)	69.59	52.73	(16.86)	(24.2%)
Average exchange rate (¥/\$)	121.46	106.29	15.17 yen appreciation	12.5% yen appreciation

Sales volume by region (thousand bbl)	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Japan	5 (0.5 thousand ton)	4 (0.4 thousand ton)	(1) (-0.1 thousand ton)	(15.3%)
Asia & Oceania	1,952	1,621	(331)	(16.9%)
Eurasia (Europe & NIS)	-	-	-	-
Middle East & Africa	-	-	-	-
Americas	-	-	-	-
Total	1,957	1,625	(332)	(16.9%)

Balance Sheet



(Billions of yen)	Mar. '16	Dec. '16	Change	%Change
Current assets	984.3	1,083.6	99.3	10.1%
Tangible fixed assets	1,752.6	1,899.6	147.0	8.4%
Intangible assets	541.4	489.9	(51.4)	(9.5%)
Recoverable accounts under production sharing	727.7	614.0	(113.7)	(15.6%)
Other	495.4	389.5	(105.8)	(21.4%)
Less allowance for recoverable accounts under production sharing	(131.7)	(105.6)	26.1	(19.8%)
Total assets	4,369.8	4,371.2	1.4	0.0%
Current liabilities	319.1	376.3	57.2	17.9%
Long-term liabilities	871.9	836.0	(35.8)	(4.1%)
Total net assets	3,178.8	3,158.8	(19.9)	(0.6%)
(Non-controlling interests)	245.9	246.9	1.0	0.4%
Total liabilities and net assets	4,369.8	4,371.2	1.4	0.0%
Net assets per share (Yen)	2,008.34	1,993.96	(14.38)	(0.7%)

Available fund (Billions of yen)
819.3*

Breakdown

- Cash and deposits : 797.7
- Available investment securities : 21.6

*Amounts to be allocated to the investments based on the investment plan

Summary of financial information for Ichthys downstream JV (100% basis, including the Company's equity share 62.245%)

(Billions of yen)

- Current assets : 41.3
- Fixed assets : 3,064.7
- Total assets: 3,106.0

Shareholders' equity (Billions of yen)

- Retained earnings : +21.6
- Accumulated other comprehensive income : (42.6)
- Unrealized holding gain on securities : +7.1
- Unrealized loss from hedging instruments : +2.8
- Translation adjustments: (52.6)

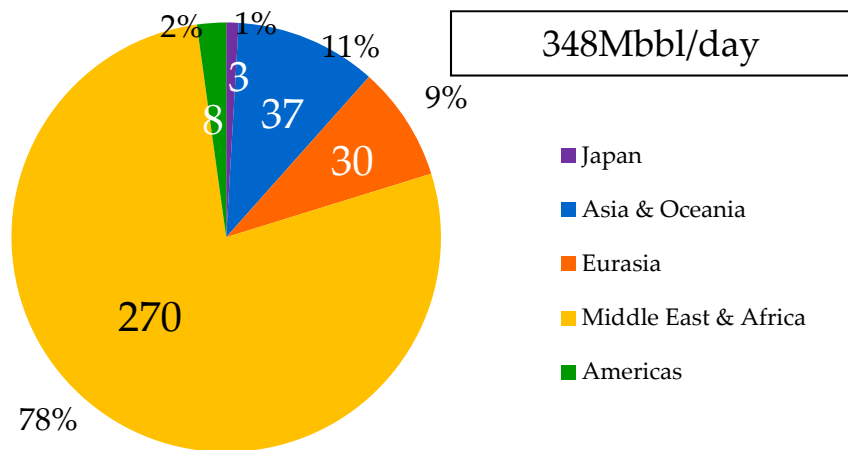
Statement of Cash Flows



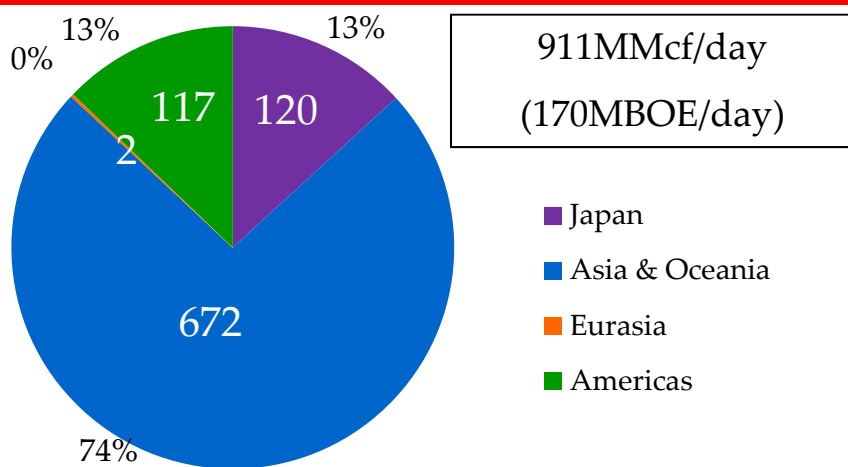
(Billions of yen)	Apr.-Dec. '15	Apr.-Dec. '16	Change	%Change
Income before income taxes	354.3	256.5	(97.7)	(27.6%)
Depreciation and amortization	58.7	67.5	8.7	15.0%
Recovery of recoverable accounts under production sharing (capital expenditures)	39.8	61.2	21.4	53.7%
Recoverable accounts under production sharing (operating expenditures)	(36.7)	(4.3)	32.4	(88.3%)
Income taxes paid	(327.8)	(188.8)	138.9	(42.4%)
Other	63.0	(6.3)	(69.4)	-
Net cash provided by (used in) operating activities	151.4	185.8	34.3	22.7%
Payments for time deposits / Proceeds from time deposits	304.9	295.6	(9.2)	(3.0%)
Payments for long-term time deposits	(439.9)	-	439.9	-
Payments for purchases of tangible fixed assets	(371.1)	(213.8)	157.3	(42.4%)
Payments for purchases of marketable securities/investment securities and proceeds from sales of marketable securities/investment securities	136.1	(13.9)	(150.1)	-
Investment in recoverable accounts under production sharing (capital expenditures)	(54.1)	(33.9)	20.1	(37.3%)
Long-term loans made / Collection of long-term loans receivable	171.6	(131.0)	(302.6)	-
Payments for purchase of mining rights	(134.3)	-	134.3	-
Other	(38.6)	5.5	44.1	-
Net cash provided by (used in) investing activities	(425.4)	(91.5)	333.9	(78.5%)
Net cash provided by (used in) financing activities	148.0	29.0	(118.9)	(80.4%)
Cash and cash equivalents at end of the period	132.5	180.8	48.3	36.5%

Net Production* (Apr. 2016 – Dec. 2016) **INPEX**

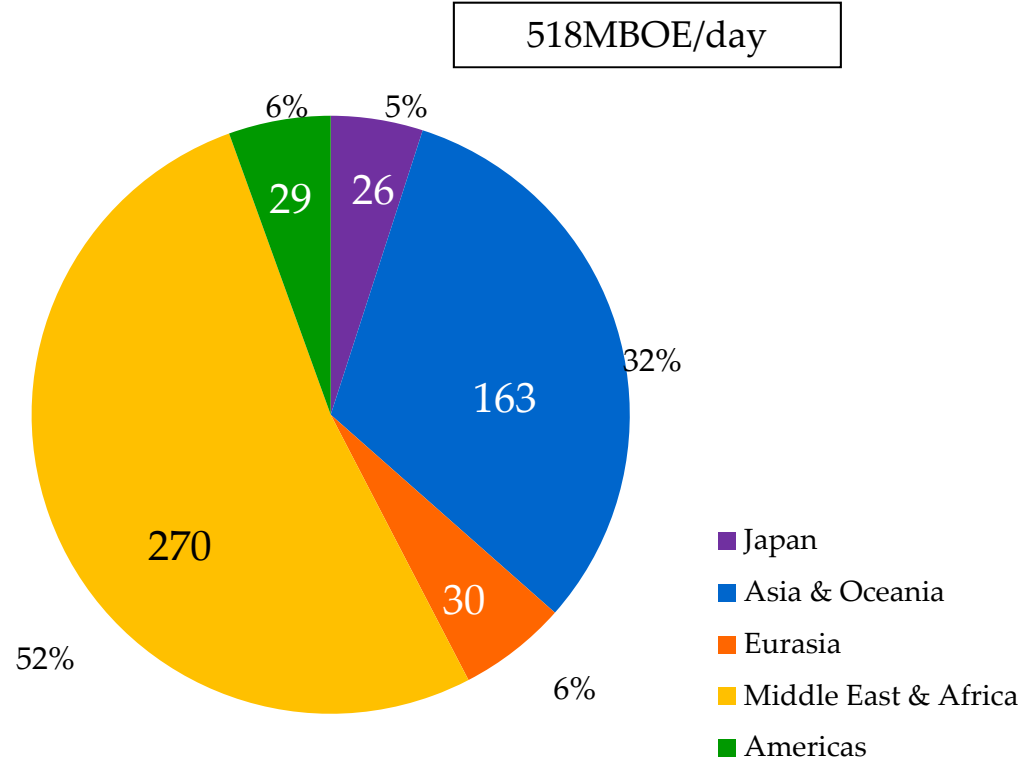
Oil/Condensate/LPG



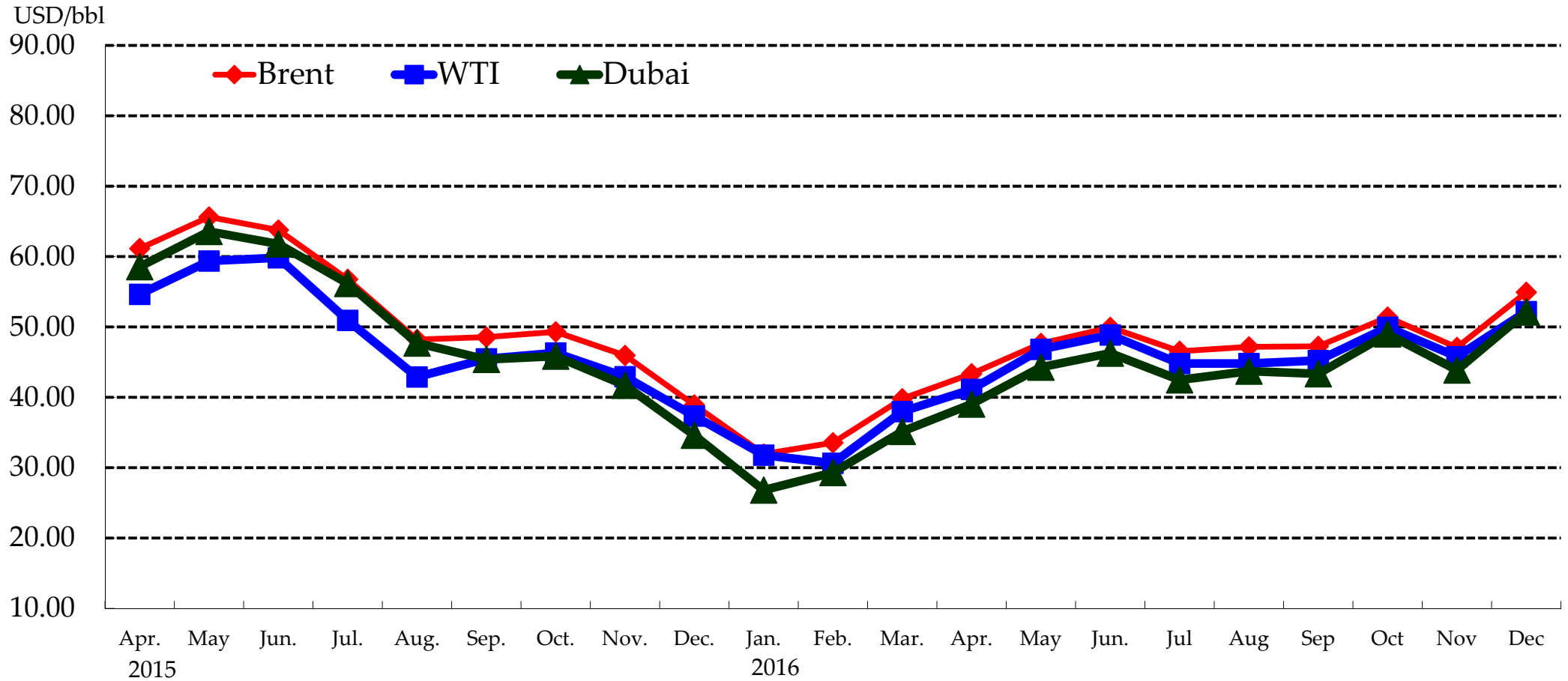
Natural Gas



Total



Crude Oil Prices



	Apr. - Dec. 2015	Apr. 2015 - Mar. 2016	2016										Apr. - Dec. 2016
	Average	Average	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct	Nov	Dec	Average	
Brent	53.10	48.73	43.34	47.65	49.93	46.53	47.16	47.24	51.39	47.08	54.92	48.34	
WTI	48.85	45.00	41.12	46.80	48.85	44.80	44.80	45.23	49.94	45.76	52.17	46.61	
Dubai	50.58	45.54	39.03	44.27	46.26	42.46	43.70	43.33	48.98	43.86	52.10	44.89	